



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Larry D. Lisenbee

**SUBJECT: PRIOR YEAR FUNDING FOR
FURNITURE, FIXTURES AND
EQUIPMENT**

DATE: May 21, 2004

Approved /s/ Date 5/28/04

BACKGROUND

At the May 20th Budget Study Session, Councilmember Dando requested information about the use of Construction and Conveyance Tax funds for furniture, fixtures, and equipment purchases for Parks and Community Facilities and Library capital projects completed in prior years.

ANALYSIS

The Budget Office staff researched a number of past projects with furniture, fixtures and equipment costs and has found that these costs were funded from a variety of funds, but often included the use of Construction and Conveyance Tax funds. Following are four sample projects:

- *South Central Swim Center:* Funding in the amount of \$150,000 was budgeted for furniture, fixtures and equipment for this new facility from the District 7 Construction and Conveyance Tax Fund (2002-2003 Adopted Capital Budget, page 367).
- *West Valley Branch:* Funding in the amount of \$440,000 was budgeted for furniture, fixtures and equipment for this new facility from the Library Construction and Conveyance Tax Fund (2001-2002 Adopted Capital Budget, page 197).
- *Moreland-West San José Community Center:* Funding for furniture, fixtures and equipment was included in the project budget for this new facility from the Council District 1 Construction and Conveyance Tax Fund (1998-1999 Adopted Capital Budget, page 205)
- *Sherman Oaks Community Center Equipment:* Funding in the amount of \$25,000 was budgeted for furniture and office equipment in this renovated facility from the District 6 Construction and Conveyance Tax Fund (1998-1999 Adopted Capital Budget, page 260).

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ANALYSIS (Cont'd.)

For the non-General Obligation Bond projects, the furniture, fixtures and equipment should be calculated as a component of the total project cost and funded from the same funding source as the project. In the future, these costs will be clearly displayed in the Capital Budget.

/s/

Larry D. Lisenbee
Budget Director

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